Recommended Zoning Amendments for 2024 Town Meeting

prepared by Anna Wells for the Economic Development Committee

INTRODUCTION

Why make any changes at all? What's the problem?

- Smaller and more affordable dwellings are one of the needs called out in the Master Plan;
- <u>Statewide Housing Needs Assessment</u> and <u>Regional Housing Needs</u>
 <u>Assessment</u> illustrate the significant housing need;
- A plethora of sources connect the inability to fill open jobs with the unavailability
 of housing of any kind, but especially homes that would be affordable to median
 income earners and/or entry wage earners across occupational fields. This is a
 significant reason for slow economic growth or stagnation in the commercial
 sector, and
- The initial draft of the Housing Potential and Needs Analysis being done as part of the InvestNH Housing Opportunity Planning Grant indicates that:
 - housing stock is increasing at a slower rate than the population;
 - housing prices are increasing at a faster rate than incomes; and
 - the current development trends in Hopkinton are unlikely to produce the number and type of housing units that are most needed.

Why these specific changes; why now?

- It is a highly complex issue, but municipalities can play a part by changing zoning to proactively support housing at a feasible economy of scale and in keeping with their vision
- have an opportunity to *use what we already have* for incremental, near term changes (i.e. "low hanging fruit")
- using the tool of an overlay allows for flexibility
- using the tool of an overlay allows for quick implementation

COMMERCE AND COMMUNITY OVERLAY DISTRICT

(from Hopkinton's Zoning Ordinance, 2023)

<u>PURPOSE AND INTENT</u> The purpose of the Commerce and Community Overlay District is to provide an opportunity for a range of residential housing choices and small-scale neighborhood retail and services in a planned development that incorporates open space.

OBJECTIVES The objectives of the Commerce and Community Overlay District are:

- (a) To promote the goals and objectives of the Hopkinton Master Plan.
- (b) To encourage a variety of housing choices that allows for age-friendly and multigenerational homeownership and rental opportunities that meet the affordability needs of all households that desire to live in Hopkinton while providing neighborhood conveniences, such as retail and services.
- (c) To introduce uses that will have positive long-term social and economic impacts.
- (d) To augment conventional underlying zoning and land use regulations where the modifications of use, dimensional, density and other requirements are appropriate.
- (e) To enable development that will be compatible with the surrounding site environment and neighborhood; and
- (f) To ensure that private development will be compatible and coordinated with public investment and improvements.

<u>RECOMMENDATION #1</u>: Permit single-family dwellings in Commerce and Community Overlay District (CCOD)

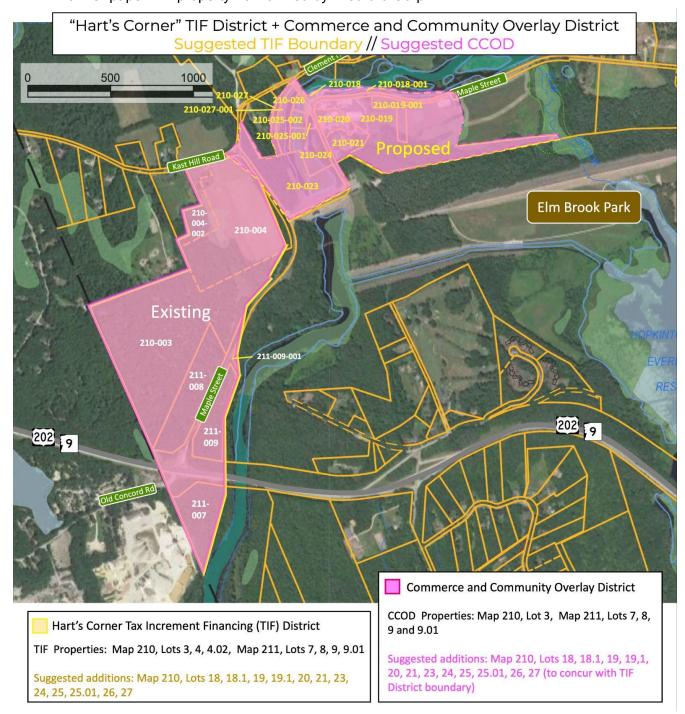
- Currently does not permit single-family detached dwellings
- RECOMMENDATION: allow single-family, detached dwellings at a <u>minimum</u> density of 4 per acre, up to 8 per acre (not intended to allow for low-density single-family development)
- RATIONALE: allows for a housing style that fits with the rural character of the town while enabling more efficient land use and increased value per acre
- Example of what would be possible with this change: Bungalow or Cottage Court¹



¹ https://opticosdesign.com/blog/missing-middle-housing-close-bungalow-courts
Danielson Grove, Kirkland, WA; Jaquith Cottages, Moultonborough, NH

RECOMMENDATION #2: Expand the existing CCOD at Hart's Corner

- Underlying B-1 (Commercial) Zone:
 - a) does not allow for single- or two-family dwellings (if using Affordable Housing Option, single family dwellings are permitted if served by water & sewer, which this area does not have);
 - b) does not allow for mixed uses (commercial and residential) on a lot;
 - c) does not allow for multiple residential structures on a lot;
 - d) does not incentivize open space or affordability.
- <u>RECOMMENDATION</u>: extend the CCOD across Maple Street toward and to include the former paper mill property now owned by "Bedford Corp"



• RATIONALE:

- * EDC also proposes to expand the "Hart's Corner" TIF District to encompass that land (TIF boundary adjustments are approved by Town Meeting vote);
- Provides much-needed flexibility for landowners/developers;
- Allows for single- and 2-family clustered dwellings to accomplish a gentle density (not only larger multifamily structures);
- Provides incentives for affordable housing, elderly housing, and open space;
- Allows commercial and residential to exist on a single lot;
- Aligns with underlying B-1 zoning for multifamily housing:

The first dwelling unit requires 15,000 sf,with 2,000 for each additional unit:

1 unit: 15,000 (.34 ac) 2 units: 17,000 (.39 ac) 3 units: 19,000 (.43 ac) 4 units: 21,000 (.48 ac)

Does not change much in terms of residential density for the B-1, but allows multiple residential structures and/or mixed use on a single parcel; includes density bonuses for elderly and affordable housing and open space.

The CCOD is very compatible with the intent of the Commercial District:

3.5.5 Commercial (B-1): The intent of this district is to provide limited commercial, institutional, professional and personal service uses along with residential uses.

RECOMMENDATION #3: Apply the CCOD to Exit 6 area

Underlying zone majority M-1, some R-2:

- a) M-1 requires a Special Exception for single- and two-family residential and does not allow multi-family;
- b) Hopkinton's "Affordable Housing Option" zoning ordinance is not permitted in the M-1;
- c) Conversely, R-2 allows only single- and two-family residential, requires a Special Exception for multi-family up to 12 units/building, but does not allow multifamily more than 12 units per building nor commercial uses
- <u>RECOMMENDATION</u>: apply the CCOD to the land surrounding Exit 6 along Maple Street (and a short stretch of Dolly Road). It would apply to a total of 36 individual parcels comprising approximately 330 acres.

RATIONALE:

Applying the CCOD would allow for greater flexibility in developing this area, specifically allowing for mixed uses. This is an appropriate location for more concentrated development because it is along the interstate and plans are moving forward to extend water and sewer service along Maple Street toward and beyond I-89.

Economic, real estate, and development trends and needs indicate that housing is the primary need, only can be achieved with economy of scale the CCOD would allow for. Hopkinton's existing "Affordable Housing Innovative Land Use Control" section does not apply to M-1, and while affordable or workforce housing is the highest housing need, the need is so great for housing generally that it would still be desirable to have housing that sells/rents at any price, even if it does not meet the definition of "affordable."

The CCOD is highly compatible and complementary to the intent of TIF districts. In 2022, the NH legislature added language to the TIF enabling statute that expands the definition of "public use" within a TIF District to include "acquisition of real property to construct housing units which meet the definition of workforce housing." This change allows workforce housing and "residential developments aimed at increasing the available housing stock within the municipality" to be a purpose of a TIF district.²

Section 78: Acquiring Property for Workforce Housing – Expands the definition of "public use" under the Tax Increment Finance (TIF) statute, RSA chapter 162-K, to allow any party including a municipality to acquire real property – except by eminent domain – for the purpose of constructing housing units which meet the statutory definition of workforce housing. Said construction may occur either through private development or private commercial enterprise. This change goes into effect August 23, 2022.

Section 79: TIF Districts for Housing – Allows municipalities to designate municipal economic development and revitalization districts (TIF districts) for the purpose of acquiring, constructing, reconstructing, improving, altering, extending, operating, maintaining, or promoting residential developments aimed at increasing the available housing stock within the municipality. This change goes into effect August 23, 2022.

² RSA 162-K - TIF legislation changes:

RECOMMENDATION #4: Apply the CCOD to the Burnham Intervale Area

Underlying zone M-1:

- a) M-1 requires a Special Exception for single- and two-family residential and does not allow multi-family;
- b) Hopkinton's "Affordable Housing Option" zoning ordinance is not permitted in the M-1.
- <u>RECOMMENDATION</u>: apply the CCOD to the land off Burnham Intervale and Pine Street. It would apply to a total of 35 individual parcels comprising approximately 560 acres. Many acres of this are immediately adjacent to the river and subject to flood control and/or a flowage easement (over 100 acres).

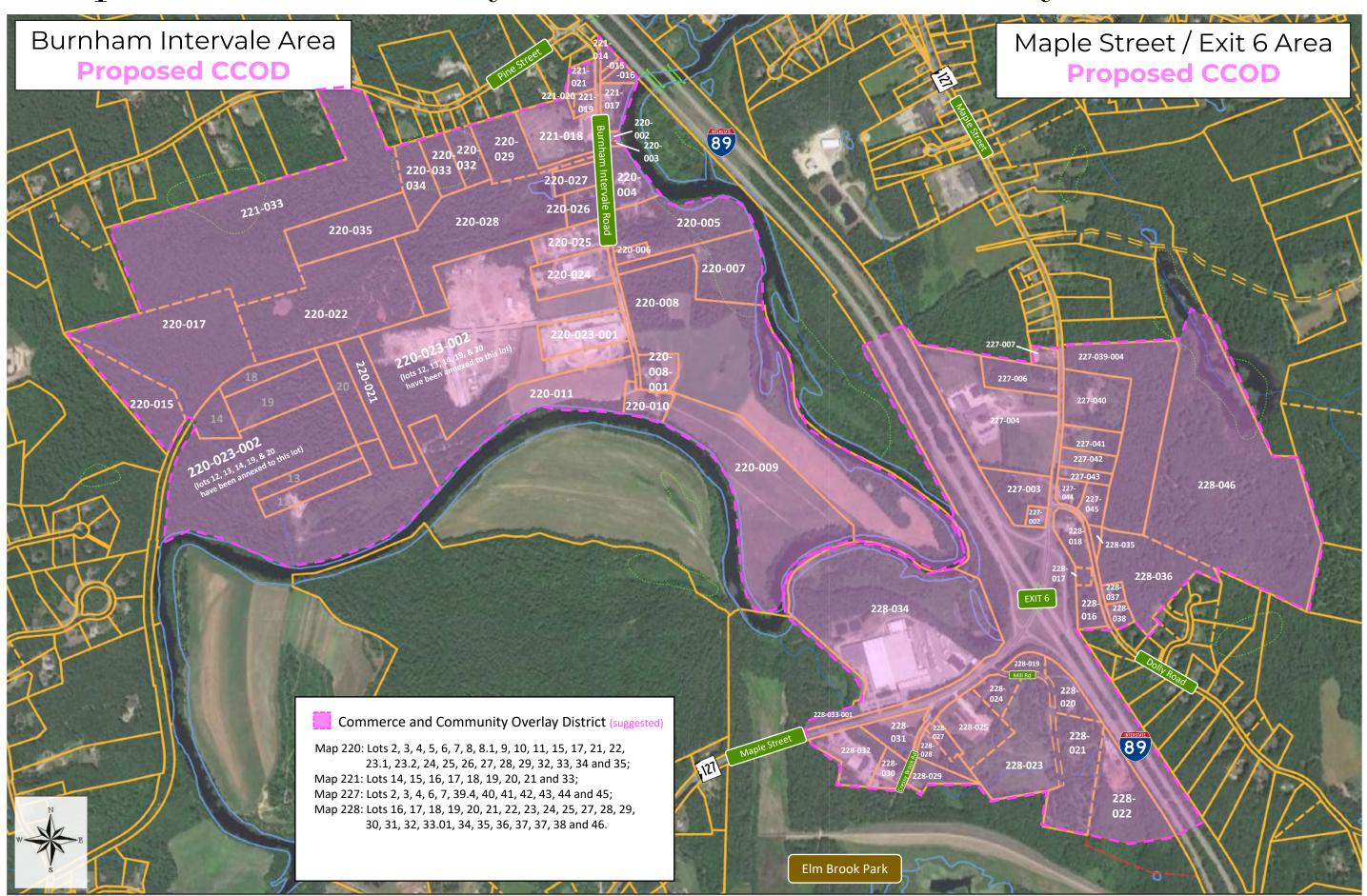
RATIONALE:

Applying the CCOD would allow for greater flexibility in developing this area, specifically allowing for mixed uses. Economic, real estate, and development trends and needs indicate that housing is the primary need, only can be achieved with economy of scale the CCOD would allow for. Hopkinton's existing "Affordable Housing Innovative Land Use Control" section does not apply to M-1, and while affordable or workforce housing is the highest housing need, the need is so great for housing generally that it would still be desirable to have housing that sells/rents at any price, even if it does not meet the definition of "affordable."

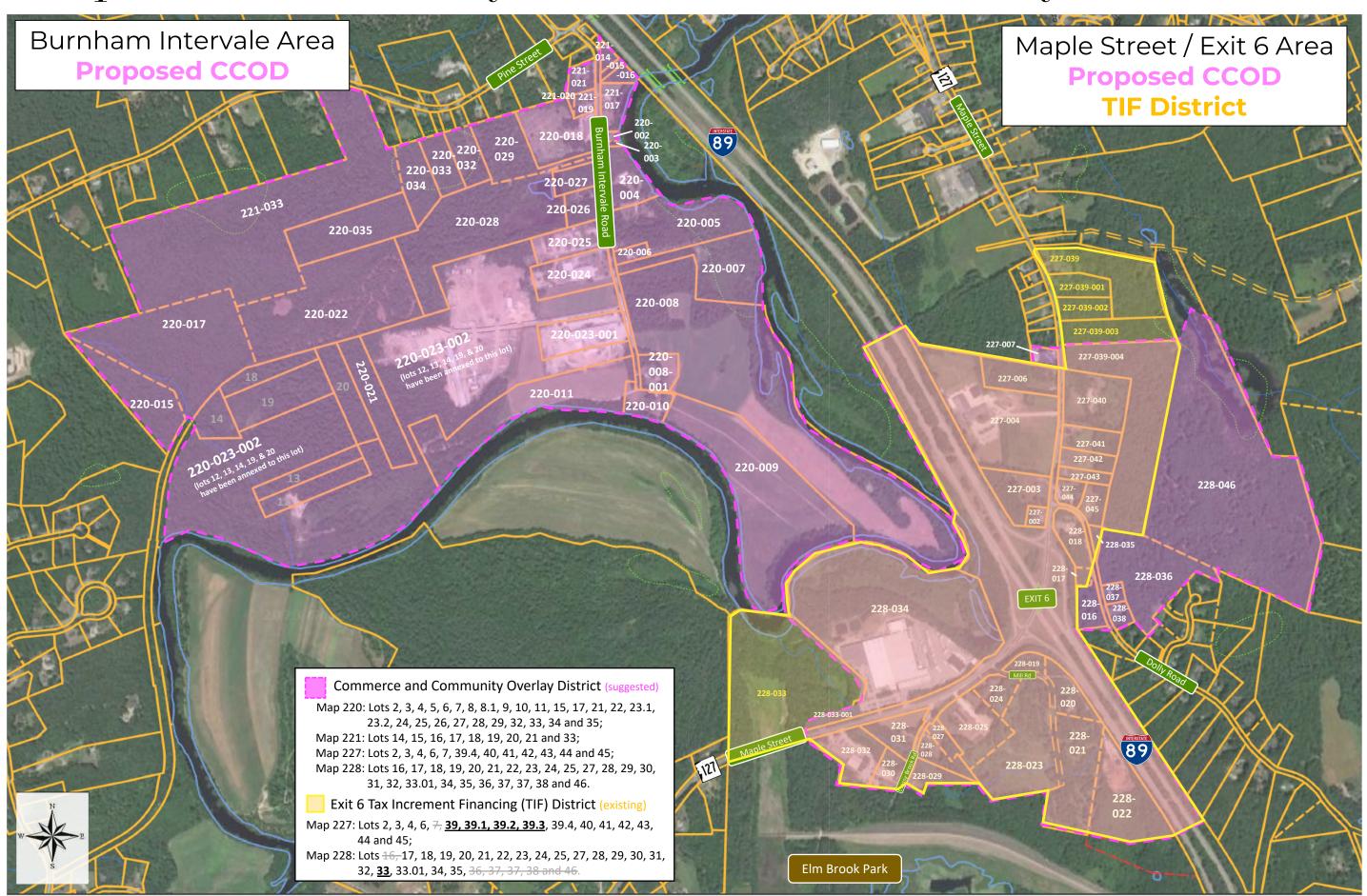
Existing Zoning



Proposed Community and Commerce Overlay District



Proposed Community and Commerce Overlay District + TIF



Flood Zones

